AMENDED IN ASSEMBLY MARCH 21, 2013

CALIFORNIA LEGISLATURE—2013-14 REGULAR SESSION

ASSEMBLY BILL

No. 1314

Introduced by Assembly Member Bloom

February 22, 2013

An act to add Section 44013.6 to the Health and Safety Code, and to amend Section 34501.12 of, to add Article 6.7 (commencing with Section 4790) to Chapter 1 of Division 3 of, and to add Division 16.4 (commencing with Section 37000) to, the Vehicle Code, relating to vehicles.

LEGISLATIVE COUNSEL'S DIGEST

AB 1314, as amended, Bloom. Vehicles: compressed natural—gas. gas vehicles: inspections.

Existing

(1) Existing law authorizes the Commissioner of the California Highway Patrol to adopt and enforce regulations and standards with respect to fuel containers and fuel systems on vehicles using, among other fuels, compressed natural gas and the operation of vehicles using compressed natural gas to ensure the safety of the equipment and vehicles and of persons and property using the highways. Existing law requires all motor vehicles with compressed natural gas fuel systems used for propulsion to comply either with specified regulations or with certain federal standards.

This bill would, notwithstanding any other law, require that a cylinder and tank bracket inspection be conducted on all motor vehicles with a compressed natural gas fuel system every 3 years by an independent qualified compressed natural gas cylinder inspector, except as provided, and that the cylinder be replaced on these vehicles before the

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manufacturer expiration date marked on the cylinder. The bill would require a qualified compressed natural gas cylinder inspector to report his or her findings to the Department of Motor Vehicles, as specified. The bill would prohibit any person from conducting the inspections or performing the reporting requirements described above unless the person is a qualified compressed natural gas inspector. The bill would establish requirements for the qualification and registration of qualified natural gas cylinder inspectors.

(2) Existing law establishes a motor vehicle inspection and maintenance program, commonly known as the smog check program, enforced by the Bureau of Automotive Repair in the Department of Consumer Affairs which provides for the inspection of all motor vehicles, except those specifically exempted from the program, upon registration, biennially upon renewal of registration, upon transfer of ownership, and in certain other circumstances. Under existing law, this program includes the establishment and operation of smog check stations, and the department is required to establish training requirements for smog check technicians. Existing law requires the Department of Motor Vehicles (DMV) to require, upon initial registration, and, except as specified, upon transfer of ownership and registration, of a motor vehicle, and upon registration of a motor vehicle previously registered outside this state that is subject to those provisions, a valid certificate of compliance or a certificate of noncompliance, as appropriate, with respect to smog certification.

This bill would require a smog check technician, when inspecting a motor vehicle with a compressed natural gas fuel system, to locate and report the manufacturer expiration date marked on the vehicle's cylinder to the Department of Motor Vehicles in a manner to be determined by the department. The bill would also require the department to refuse to renew the registration of a motor vehicle with a compressed natural gas fuel system if the department has not received an inspection report confirming that the vehicle has received a cylinder and tank bracket inspection in the last 3 years or if the cylinder attributed to the vehicle is past the expiration date on record with the department.

(3) Existing law, the Biennial Inspection of Terminals (BIT) Program, generally requires the Department of the California Highway Patrol to periodically inspect every terminal of a motor carrier, as defined, that operates certain vehicles. The program requires the motor carrier to provide the department with all maintenance records, as defined, during the inspection.

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This bill would require a motor carrier subject to the cylinder and tank bracket inspections and cylinder replacement requirements described above to include all records pertaining to the inspections and replacements with the maintenance records provided to the department in compliance with the BIT Program. This bill would also make conforming changes.

This bill would declare the intent of the Legislature to enact legislation to ensure the reliability and safety of compressed natural gas vehicles by addressing the inspection of cylinders and tank brackets on these vehicles.

Vote: majority. Appropriation: no. Fiscal committee: no yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 44013.6 is added to the Health and Safety 2 Code, to read:

44013.6. When inspecting a motor vehicle with a compressed natural gas fuel system pursuant to this chapter, a smog check technician shall locate and report the manufacturer expiration date marked on the vehicle's cylinder to the Department of Motor Vehicles in a manner to be determined by the department, including, but not limited to, entering the cylinder expiration date in a database maintained by the department.

SEC. 2. Article 6.7 (commencing with Section 4790) is added to Chapter 1 of Division 3 of the Vehicle Code, to read:

Article 6.7. Refusal of Registration for Compressed Natural Gas Vehicles

- 4790. (a) Except as provided in subdivision (b), the department shall refuse to renew the registration of a motor vehicle with a compressed natural gas fuel system if any of the following apply:
- (1) The department has not received an inspection report confirming that the vehicle has received a cylinder and tank bracket inspection in the last three years pursuant to Section 37001.
- (2) The cylinder attributed to the vehicle is past the expiration date on record with the department pursuant to Section 44013.6 of the Health and Safety Code.

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(b) The department shall renew the registration of a vehicle if the department receives documentation from a qualified compressed natural gas cylinder inspector that the vehicle has received a cylinder and tank bracket inspection in the last three years or from the applicant showing that the expired cylinder has been replaced.

4791. The department shall include on each vehicle registration renewal notice issued for a compressed natural gas motor vehicle for use at the time of renewal, or on an accompanying document, a statement informing the registered owner or lessee that a cylinder and tank bracket inspection must be performed on the vehicle or that a cylinder is set to expire and must be replaced before the motor vehicle's registration may be renewed.

SEC. 3. Section 34501.12 of the Vehicle Code is amended to read:

34501.12. (a) Notwithstanding Section 408, as used in this section and Sections 34505.5 and 34505.6, "motor carrier" means the registered owner of a vehicle described in subdivision (a), (b), (e), (f), or (g) of Section 34500, except in the following circumstances:

- (1) The registered owner leases the vehicle to another person for a term of more than four months. If the lease is for more than four months, the lessee is the motor carrier.
- (2) The registered owner operates the vehicle exclusively under the authority and direction of another person. If the operation is exclusively under the authority and direction of another person, that other person may assume the responsibilities as the motor carrier. If not so assumed, the registered owner is the motor carrier. A person who assumes the motor carrier responsibilities of another pursuant to subdivision (b) shall provide to that other person whose motor carrier responsibility is so assumed, a completed copy of a departmental form documenting that assumption, stating the period for which responsibility is assumed, and signed by an agent of the assuming person. A legible copy shall be carried in each vehicle or combination of vehicles operated on the highway during the period for which responsibility is assumed. That copy shall be presented upon request by an authorized employee of the department. The original completed departmental documenting the assumption shall be provided to the department within 30 days of the assumption. If the assumption of

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responsibility is terminated, the person who had assumed responsibility shall so notify the department in writing within 30 days of the termination.

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- (b) (1) A motor carrier may combine two or more terminals that are not subject to an unsatisfactory compliance rating within the last 36 months for purposes of the inspection required by subdivision (d), subject to all of the following conditions:
- (A) The carrier identifies to the department, in writing, each terminal proposed to be included in the combination of terminals for purposes of this subdivision prior to an inspection of the designated terminal pursuant to subdivision (d).
- (B) The carrier provides the department, prior to the inspection of the designated terminal pursuant to subdivision (d), a written listing of all its vehicles of a type subject to subdivision (a), (b), (e), (f), or (g) of Section 34500 that are based at each of the terminals combined for purposes of this subdivision. The listing shall specify the number of vehicles of each type at each terminal.
- (C) The carrier provides to the department at the designated terminal during the inspection all maintenance records and driver records and a representative sample of vehicles based at each of the terminals included within the combination of terminals.
- (2) If the carrier fails to provide the maintenance records, driver records, and representative sample of vehicles pursuant to subparagraph (C) of paragraph (1), the department shall assign the carrier an unsatisfactory terminal rating and require a reinspection to be conducted pursuant to subdivision (h).
- (3) For purposes of this subdivision, the following terms have the following meanings:
- (A) "Driver records" includes pull notice system records, driver proficiency records, and driver timekeeping records.
- (B) "Maintenance records" includes all required maintenance, lubrication, and repair records and drivers' daily vehicle condition reports. "Maintenance records" also includes records of inspections and cylinder replacements conducted on compressed natural gas vehicles pursuant to Section 37003.
- (C) "Representative sample" means the following, applied separately to the carrier's fleet of motortrucks and truck tractors and its fleet of trailers:

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1		Representative
2	Fleet Size	Sample
3	1 or 2	All
4	3 to 8	3
5	9 to 15	4
6	16 to 25	6
7	26 to 50	9
8	51 to 90	14
9	91 or more	20

- (c) Each motor carrier who, in this state, directs the operation of, or maintains, a vehicle of a type described in subdivision (a) shall designate one or more terminals, as defined in Section 34515, in this state where vehicles can be inspected by the department pursuant to paragraph (4) of subdivision (a) of Section 34501 and where vehicle inspection and maintenance records and driver records will be made available for inspection.
- (d) (1) The department shall inspect, at least every 25 months, every terminal, as defined in Section 34515, of a motor carrier who, at any time, operates a vehicle described in subdivision (a).
- (2) The department shall place an inspection priority on those terminals operating vehicles listed in subdivision (g) of Section 34500.
- (3) As used in this section and in Sections 34505.5 and 34505.6, subdivision (f) of Section 34500 includes only those combinations where the gross vehicle weight rating (GVWR) of the towing vehicle exceeds 10,000 pounds, but does not include a pickup truck, and subdivision (g) of Section 34500 includes only those vehicles transporting hazardous material for which the display of placards is required pursuant to Section 27903, a license is required pursuant to Section 32000.5, or for which hazardous waste transporter registration is required pursuant to Section 25163 of the Health and Safety Code. Historical vehicles, as described in Section 5004, vehicles that display special identification plates in accordance with Section 5011, implements of husbandry and farm vehicles, as defined in Chapter 1 (commencing with Section 36000) of Division 16, and vehicles owned or operated by an agency of the federal government are not subject to this section or to Sections 34505.5 and 34505.6.

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(e) (1) It is the responsibility of the motor carrier to schedule with the department the inspection required by subdivision (d). The motor carrier shall submit an application form supplied by the department, accompanied by the required fee contained in paragraph (2), for each terminal the motor carrier operates. This fee shall be submitted within 30 days of establishing a terminal. All fees submitted under paragraph (2) are nonrefundable.

(2) (A) The fee for each terminal is set forth in the following table:

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11	Terminal fleet size	Required fee per terminal
12	1	\$ 270
13	2	\$ 375
14	3 to 8	\$ 510
15	9 to 15	\$ 615
16	16 to 25	\$ 800
17	26 to 50	\$1,040
18	51 to 90	\$1,165
19	91 or more	\$1,870
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- (B) In addition to the fee specified in subparagraph (A), the motor carrier shall submit an additional fee of three hundred fifty dollars (\$350) for each of its terminals not previously inspected under the section.
- (3) Except as provided in paragraph (5), the inspection term for each inspected terminal of a motor carrier shall expire 25 months from the date the terminal receives a satisfactory compliance rating, as specified in subdivision (h). Applications and fees for subsequent inspections shall be submitted not earlier than nine months and not later than seven months before the expiration of the motor carrier's then current inspection term. If the motor carrier has submitted the inspection application and the required accompanying fees, but the department is unable to complete the inspection within the 25-month inspection period, then no additional fee shall be required for the inspection requested in the original application.
- (4) All fees collected pursuant to this subdivision shall be deposited in the Motor Vehicle Account in the State Transportation Fund. An amount equal to the fees collected shall be available for appropriation by the Legislature from the Motor Vehicle Account

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to the department for the purpose of conducting truck terminal inspections and for the additional roadside safety inspections required by Section 34514.

- (5) To avoid the scheduling of a renewal terminal inspection pursuant to this section during a carrier's seasonal peak business periods, the current inspection term of a terminal that has paid all required fees and has been rated satisfactory in its last inspection may be reduced by not more than nine months if a written request is submitted by the carrier to the department at least four months prior to the desired inspection month, or at the time of payment of renewal inspection fees in compliance with paragraph (3), whichever date is earlier. A motor carrier may request this adjustment of the inspection term during any inspection cycle. A request made pursuant to this paragraph shall not result in a fee proration and does not relieve the carrier from the requirements of paragraph (3).
- (6) Failure to pay a fee required by this section, within the appropriate timeframe, shall result in additional delinquent fees as follows:
- (A) For a delinquency period of more than 30 days, the penalty is 60 percent of the required fee.
- (B) For a delinquency period of one to two years, the penalty is 80 percent of the required fee.
- (C) For a delinquency period of more than two years, the penalty is 160 percent of the required fee.
- (7) Federal, state, and local public entities are exempt from the fee requirement of this section.
- (f) It is unlawful for a motor carrier to operate a vehicle subject to this section without having submitted an inspection application and the required fees to the department as required by subdivision (e) or (h).
- (g) (1) It is unlawful for a motor carrier to operate a vehicle subject to this section after submitting an inspection application to the department, without the inspection described in subdivision (d) having been performed and a safety compliance report having been issued to the motor carrier within the 25-month inspection period or within 60 days immediately preceding the inspection period.
- (2) It is unlawful for a motor carrier to contract or subcontract with, or otherwise engage the services of, another motor carrier,

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subject to this section, unless the contracted motor carrier has complied with this section. A motor carrier shall not contract or 3 subcontract with, or otherwise engage the services of, another 4 motor carrier until the contracted motor carrier provides 5 certification of compliance with this section. This certification 6 shall be completed in writing by the contracted motor carrier. The certification, or a copy thereof, shall be maintained by each 8 involved party for the duration of the contract or the period of service plus two years, and shall be presented for inspection 10 immediately upon the request of an authorized employee of the department.

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- (h) (1) An inspected terminal that receives an unsatisfactory compliance rating shall be reinspected within 120 days after the issuance of the unsatisfactory compliance rating.
- (2) A terminal's first required reinspection under this subdivision shall be without charge unless one or more of the following is established:
- (A) The motor carrier's operation presented an imminent danger to public safety.
- (B) The motor carrier was not in compliance with the requirement to enroll all drivers in the pull notice program pursuant to Section 1808.1.
- (C) The motor carrier failed to provide all required records and vehicles for a consolidated inspection pursuant to subdivision (b).
- (3) If the unsatisfactory rating was assigned for any of the reasons set forth in paragraph (2), the carrier shall submit the required fee as provided in paragraph (4).
- (4) Applications for reinspection pursuant to paragraph (3) or for second and subsequent consecutive reinspections under this subdivision shall be accompanied by the fee specified in paragraph (2) of subdivision (e) and shall be filed within 60 days of issuance of the unsatisfactory compliance rating. The reinspection fee is nonrefundable.
- (5) When a motor carrier's Motor Carrier of Property Permit or Public Utilities Commission operating authority is suspended as a result of an unsatisfactory compliance rating, the department shall not conduct a reinspection for permit or authority reinstatement until requested to do so by the Department of Motor Vehicles or the Public Utilities Commission, as appropriate.

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(i) It is the intent of the Legislature that the department make its best efforts to inspect terminals within the resources provided. In the interest of the state, the Commissioner of the California Highway Patrol may extend for a period, not to exceed six months, the inspection terms beginning prior to July 1, 1990.

- (j) Except as provided in paragraph (5), to encourage motor carriers to attain continuous satisfactory compliance ratings, the department may establish and implement an incentive program consisting of the following:
- (1) After the second consecutive satisfactory compliance rating assigned to a motor carrier terminal as a result of an inspection conducted pursuant to subdivision (d), and after each consecutive satisfactory compliance rating thereafter, an appropriate certificate, denoting the number of consecutive satisfactory ratings, shall be awarded to the terminal, unless the terminal has received an unsatisfactory compliance rating as a result of an inspection conducted in the interim between the consecutive inspections conducted under subdivision (d), or the motor carrier is rated unsatisfactory by the department following a controlled substances and alcohol testing program inspection. The certificate authorized under this paragraph shall not be awarded for performance in the administrative review authorized under paragraph (2). However, the certificate shall include a reference to any administrative reviews conducted during the period of consecutive satisfactory compliance ratings.
- (2) Unless the department's evaluation of the motor carrier's safety record indicates a declining level of compliance, a terminal that has attained two consecutive satisfactory compliance ratings assigned following inspections conducted pursuant to subdivision (d) is eligible for an administrative review in lieu of the next required inspection, unless the terminal has received an unsatisfactory compliance rating as a result of an inspection conducted in the interim between the consecutive inspections conducted under subdivision (d). An administrative review shall consist of all of the following:
- (A) A signed request by a terminal management representative requesting the administrative review in lieu of the required inspection containing a promise to continue to maintain a satisfactory level of compliance for the next 25-month inspection term.

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(B) A review with a terminal management representative of the carrier's record as contained in the department's files. If a terminal has been authorized a second consecutive administrative review, the review required under this subparagraph is optional, and may be omitted at the carrier's request.

- (C) Absent any cogent reasons to the contrary, upon completion of the requirements of subparagraphs (A) and (B), the safety compliance rating assigned during the last required inspection shall be extended for 25 months.
- (3) Not more than two administrative reviews may be conducted consecutively. At the completion of the 25-month inspection term following a second administrative review, a terminal inspection shall be conducted pursuant to subdivision (d). If this inspection results in a satisfactory compliance rating, the terminal shall again be eligible for an administrative review in lieu of the next required inspection. If the succession of satisfactory ratings is interrupted by a rating of other than satisfactory, irrespective of the reason for the inspection, the terminal shall again attain two consecutive satisfactory ratings to become eligible for an administrative review.
- (4) As a condition for receiving the administrative reviews authorized under this subdivision in lieu of inspections, and in order to ensure that compliance levels remain satisfactory, the motor carrier shall agree to accept random, unannounced inspections by the department.
- (5) Notwithstanding paragraphs (1) to (4), inclusive, a motor carrier of hazardous materials shall not be granted administrative review pursuant to this subdivision in lieu of a terminal inspection pursuant to subdivision (d) at any terminal from which hazardous materials carrying vehicles identified by paragraph (3) of subdivision (d) are operated.
- (k) This section shall be known and may be cited as the Biennial Inspection of Terminals Program or BIT.
- 33 SEC. 4. Division 16.4 (commencing with Section 37000) is 34 added to the Vehicle Code, to read:

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DIVISION 16.4. COMPRESSED NATURAL GAS CYLINDER SAFETY REQUIREMENTS

37000. Notwithstanding any other law, all motor vehicles with a compressed natural gas fuel system used for propulsion shall comply with both of the following:

- (a) Except as provided in subparagraphs (1) and (2), the cylinder and tank bracket shall be inspected once every three years by an independent qualified compressed natural gas cylinder inspector.
- (1) The owner or personnel of an owner of a smog check station may conduct the cylinder and tank bracket inspections concurrently with a motor vehicle inspection pursuant to Chapter 5 (commencing with Section 44000) of Part 5 of Division 26 of the Health and Safety Code if the owner or personnel of the owner of the smog check station is a qualified natural gas cylinder inspector.
- (2) The owner or personnel of an owner of a fleet of 10 or more motor vehicles subject to this division may conduct the cylinder and tank bracket inspections for the fleet if the owner or personnel is a qualified compressed natural gas cylinder inspector.
- (b) The cylinder shall be replaced on or before the manufacturer expiration date marked on the cylinder.
- 37001. Upon conducting an inspection required by Section 37000, a qualified compressed natural gas cylinder inspector shall submit a report of his or her findings to the Department of Motor Vehicles in a manner to be determined by the department, including, but not limited to, a centralized computer database.
- 37002. (a) A person shall not conduct inspections or fulfill reporting requirements required by this division for compensation unless the person is a qualified compressed natural gas cylinder inspector.
- (b) A compressed natural gas cylinder inspector shall not conduct the inspections or fulfill the reporting requirements required by this division for compensation unless he or she is qualified by, and registered with, the Bureau of Automotive Repair within the Department of Consumer Affairs.
- (c) A compressed natural gas cylinder inspector shall receive approval to conduct cylinder and tank bracket inspections from a manufacturer approved by the department or obtain national certification by CSA Group in order to be qualified by the bureau.

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Proof of approval or certification must be provided to the bureau with registration forms prescribed by the department.

- (d) Upon receipt of the form and proof of approval or certification, the department shall issue the registration to the compressed natural gas cylinder inspector.
- (e) The Director of Consumer Affairs may adopt and enforce those rules and regulations that he or she determines are reasonably necessary to carry out the purposes of this section.
- 37003. A motor carrier, as defined in subdivision (a) of Section 34501.12, subject to this division shall include all records pertaining to cylinder and tank bracket inspections and cylinder replacements in the maintenance records provided to the Department of the California Highway Patrol in compliance with the Biennial Inspection of Terminals (BIT) Program pursuant to Section 34501.12.
- SECTION 1. It is the intent of the Legislature to enact legislation to ensure the reliability and safety of compressed natural gas vehicles by addressing the inspection of cylinders and tank brackets on these vehicles.